

Senator Curtis S. Bramble proposes the following substitute bill:

**PUBLIC SCHOOL FUNDING AMENDMENTS**

2013 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Curtis S. Bramble**

House Sponsor: Bradley G. Last

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**LONG TITLE**

**General Description:**

This bill modifies provisions relating to the funding of public schools.

**Highlighted Provisions:**

This bill:

► provides that ~~§~~ **for the 2013-14 and 2014-15 school years,** ~~§~~ the number of weighted pupil units assigned to a charter school for the kindergarten and grades 1 through 12 programs of the Basic School Program shall be based on the greater of the school's:

- October 1 enrollment in the current school year; or
- average daily membership in the prior school year plus growth.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**53A-1a-513**, as last amended by Laws of Utah 2012, Chapter 318

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*Be it enacted by the Legislature of the state of Utah:*



26 Section 1. Section **53A-1a-513** is amended to read:

27 **53A-1a-513. Funding for charter schools.**

28 (1) As used in this section:

29 (a) "Charter school students' average local revenues" means the amount determined as  
30 follows:

31 (i) for each student enrolled in a charter school on the previous October 1, calculate the  
32 district per pupil local revenues of the school district in which the student resides;

33 (ii) sum the district per pupil local revenues for each student enrolled in a charter  
34 school on the previous October 1; and

35 (iii) divide the sum calculated under Subsection (1)(a)(ii) by the number of students  
36 enrolled in charter schools on the previous October 1.

37 (b) "District local property tax revenues" means the sum of a school district's revenue  
38 received from the following levies:

39 (i) (A) a voted levy imposed under Section 53A-17a-133;

40 (B) a board levy imposed under Section 53A-17a-134;

41 (C) a 10% of basic levy imposed under Section 53A-17a-145;

42 (D) a tort liability levy imposed under Section 63G-7-704;

43 (E) a capital outlay levy imposed under Section 53A-16-107; and

44 (F) a voted capital outlay levy imposed under Section 53A-16-110; or

45 (ii) (A) a voted local levy imposed under Section 53A-17a-133;

46 (B) a board local levy imposed under Section 53A-17a-164, excluding revenues  
47 expended for:

48 (I) recreational facilities and activities authorized under Title 11, Chapter 2,  
49 Playgrounds;

50 (II) pupil transportation, up to the amount of revenue generated by a .0003 per dollar of  
51 taxable value of the school district's board local levy; and

52 (III) the K-3 Reading Improvement Program, up to the amount of revenue generated by  
53 a .000121 per dollar of taxable value of the school district's board local levy; and

54 (C) a capital local levy imposed under Section 53A-16-113.

55 (c) "District per pupil local revenues" means an amount equal to the following, using  
56 data from the most recently published school district annual financial reports and state

57 superintendent's annual report:

58 (i) district local property tax revenues; divided by

59 (ii) the sum of:

60 (A) a school district's average daily membership; and

61 (B) the average daily membership of a school district's resident students who attend  
62 charter schools.

63 (d) "Resident student" means a student who is considered a resident of the school  
64 district under Title 53A, Chapter 2, Part 2, District of Residency.

65 (e) "Statewide average debt service revenues" means the amount determined as  
66 follows, using data from the most recently published state superintendent's annual report:

67 (i) sum the revenues of each school district from the debt service levy imposed under  
68 Section 11-14-310; and

69 (ii) divide the sum calculated under Subsection (1)(e)(i) by statewide school district  
70 average daily membership.

71 (2) (a) Charter schools shall receive funding as described in this section, except  
72 Subsections (3) through (8) do not apply to charter schools described in Subsection (2)(b).

73 (b) Charter schools authorized by local school boards that are converted from district  
74 schools or operate in district facilities without paying reasonable rent shall receive funding as  
75 prescribed in Section 53A-1a-515.

76 (3) (a) Except as provided in ~~Subsection~~ Subsections (3)(b) and (3)(c), a charter  
77 school shall receive state funds, as applicable, on the same basis as a school district receives  
78 funds.

79 (b) ~~§~~ → [The] For the 2013-14 and 2014-15 school years, the ←§ number of weighted  
79a pupil units assigned to a charter school for the  
80 kindergarten and grades 1 through 12 programs of the Basic School Program shall be:

81 (i) based on the higher of:

82 (A) October 1 enrollment in the current school year; or

83 (B) average daily membership in the prior school year plus growth as determined under  
84 Section 53A-17a-106; and

85 (ii) weighted as provided in Subsection (3)(c).

86 ~~(b)~~ (c) In distributing funds under Chapter 17a, Minimum School Program Act, to  
87 charter schools, charter school pupils shall be weighted, where applicable, as follows:

- 88 (i) .55 for kindergarten pupils;
- 89 (ii) .9 for pupils in grades 1 through 6;
- 90 (iii) .99 for pupils in grades 7 through 8; and
- 91 (iv) 1.2 for pupils in grades 9 through 12.
- 92 (4) (a) (i) A school district shall allocate a portion of school district revenues for each
- 93 resident student of the school district who is enrolled in a charter school on October 1 equal to
- 94 25% of the lesser of:
  - 95 (A) district per pupil local revenues; or
  - 96 (B) charter school students' average local revenues.
- 97 (ii) Nothing in this Subsection (4)(a) affects the school bond guarantee program
- 98 established under Chapter 28, Utah School Bond Guaranty Act.
- 99 (b) The State Board of Education shall:
  - 100 (i) deduct an amount equal to the allocation provided under Subsection (4)(a) from
  - 101 state funds the school district is authorized to receive under Chapter 17a, Minimum School
  - 102 Program Act; and
  - 103 (ii) remit the money to the student's charter school.
- 104 (c) Notwithstanding the method used to transfer school district revenues to charter
- 105 schools as provided in Subsection (4)(b), a school district may deduct the allocations to charter
- 106 schools under this section from:
  - 107 (i) unrestricted revenues available to the school district; or
  - 108 (ii) the revenue sources listed in Subsection (1)(b) based on the portion of the
  - 109 allocations to charter schools attributed to each of the revenue sources listed in Subsection
  - 110 (1)(b).
- 111 (d) (i) Subject to future budget constraints, the Legislature shall provide an
- 112 appropriation for charter schools for each student enrolled on October 1 to supplement the
- 113 allocation of school district revenues under Subsection (4)(a).
  - 114 (ii) Except as provided in Subsection (4)(d)(iii), the amount of money provided by the
  - 115 state for a charter school student shall be the sum of:
    - 116 (A) charter school students' average local revenues minus the allocation of school
    - 117 district revenues under Subsection (4)(a); and
    - 118 (B) statewide average debt service revenues.

119 (iii) If the total of a school district's allocation for a charter school student under  
120 Subsection (4)(a) and the amount provided by the state under Subsection (4)(d)(ii) is less than  
121 \$1427, the state shall provide an additional supplement so that a charter school receives at least  
122 \$1427 per student under this Subsection (4).

123 (iv) (A) If the appropriation provided under this Subsection (4)(d) is less than the  
124 amount prescribed by Subsection (4)(d)(ii) or (4)(d)(iii), the appropriation shall be allocated  
125 among charter schools in proportion to each charter school's enrollment as a percentage of the  
126 total enrollment in charter schools.

127 (B) If the State Board of Education makes adjustments to Minimum School Program  
128 allocations as provided under Section 53A-17a-105, the allocation provided in Subsection  
129 (4)(d)(iv)(A) shall be determined after adjustments are made under Section 53A-17a-105.

130 (e) Of the money provided to a charter school under this Subsection (4), 10% shall be  
131 expended for funding school facilities only.

132 (5) Charter schools are eligible to receive federal funds if they meet all applicable  
133 federal requirements and comply with relevant federal regulations.

134 (6) The State Board of Education shall distribute funds for charter school students  
135 directly to the charter school.

136 (7) (a) Notwithstanding Subsection (3), a charter school is not eligible to receive state  
137 transportation funding.

138 (b) The board shall also adopt rules relating to the transportation of students to and  
139 from charter schools, taking into account Sections 53A-2-210 and 53A-17a-127.

140 (c) The governing body of the charter school may provide transportation through an  
141 agreement or contract with the local school board, a private provider, or with parents.

142 (8) (a) (i) In accordance with Section 53A-1a-513.5, the State Charter School Board  
143 may allocate grants for start-up costs to charter schools from money appropriated for charter  
144 school start-up costs.

145 (ii) The governing board of a charter school that receives money from a grant under  
146 Section 53A-1a-513.5 shall use the grant for expenses for planning and implementation of the  
147 charter school.

148 (b) The State Board of Education shall coordinate the distribution of federal money  
149 appropriated to help fund costs for establishing and maintaining charter schools within the

150 state.

151 (9) (a) A charter school may receive, hold, manage and use any devise, bequest, grant,  
152 endowment, gift, or donation of any property made to the school for any of the purposes of this  
153 part.

154 (b) It is unlawful for any person affiliated with a charter school to demand or request  
155 any gift, donation, or contribution from a parent, teacher, employee, or other person affiliated  
156 with the charter school as a condition for employment or enrollment at the school or continued  
157 attendance at the school.